

Main directions of improvement of the process of investment attraction

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ABSTRACT

In this fast-changing world, conflicts of interest and rivalry between countries are growing. In such a difficult international environment, it is important to keep our country competitive in the region and in the world.

Based on the "Strategy of actions on social and economic development of the Republic of Uzbekistan for 2017-2021" adopted for achievement of this goal, the priority directions of our development for the next years are clearly defined.

In particular, 76 thousand projects totaling \$ 21 trillion and \$ 1 billion have been implemented within the framework of the state program "2018 to support active entrepreneurship, innovative ideas and technologies".

Significant results are being achieved in the national economy in industry, agriculture, capital construction, transport and communications, services and services.

Studies show that total investment in fixed assets at the expense of all sources of economic and social development of the Republic of Uzbekistan amounted to 68.4 trillion soums (US \$ 13.4 billion) in 2017, an increase of 120.4% compared to 2016. .

The share of investment in fixed assets in GDP was 26.9%, compared with 2016 at 2.8% (18.8% compared to 1991, 22.9% against 2000, 19.9% against 2005). It increased by 24.6% compared to 2010 and by 24.3% compared to 2015.

Keywords: economic growth, sustainable growth, quality of growth, modernization of the economy, stabilization of the economy.

PURPOSE OF THE STUDY

The purpose of the study is to develop and deepen theoretical principles and develop scientific and practical recommendations aimed at ensuring sustainable economic growth in the modernization of the economy of Uzbekistan.

RESEARCH METHODS

This scientific research is based on systemic, financial analysis, economic-mathematical, correlation-regression, economic-statistical methods.

1. INTRODUCTION

These investments were mainly used for the construction and commissioning of the first phase of the Kandym Gas Processing Plant, the development of hydrocarbon raw materials in the Gissar investment block and the Ustyurt region, the production of synthetic liquid fuels at the Shurtan Gas Chemical Complex, the development of the Youth 1 field. spent the construction of three new blocks and others.

The analysis shows that investment activity in different regions of the country varies. For example, in 2017, the volume of investments into fixed capital in the Republic made up 100%, of which 19.8% - Tashkent, 16.6% - Bukhara region, 15.9% - Kashkadarya region and 8.2% - Tashkent region.

Sirdarya (2.2%), Jizzakh (2.3%) and Khorezm (2.9%) regions account for the smallest share of total investment.

The development of human capital plays an important role in the society in which market relations develop.

In this regard, special attention is paid to the human factor in the fundamental economic reforms implemented in the country. The investment in its development is directly dependent on the quality of its investments.

The study shows that the average per capita investment in fixed assets of the population of the Republic of Uzbekistan in 2017 amounted to 2112.6 thousand soums, which is 118.4% more than in the previous year, compared to 2015 (1331.4 thousand soums). and 388.8% growth as compared to 2010 (543.4 thousand soums).

Per capita investment in 2017 as compared to the previous year by regions of the republic was as follows:

2. LITERATURE REVIEW

JJBuckley, YCChui, and SPChan, D. Kuchta, C. Kahraman, D. Ruan, E. Tolga, Multidimensional Investment Projects Based on Uncertain Financial Indicators of Net Present Value of the Investment Project and the Internal Revenue Rate Indicators on Optimal Investment Portfolio Formation RPMohanty, R Agarwal, L.Dimova, P. Sebastianova, Alison K McCowan, P.Samuelson, G.Alexander, J.Bailey, Lorenz J.Gitman, Michael D.Donk, K.R. S.L. Bru have done research.

In the CIS countries, Mikhaylova EV, Guskova ND, Kravovskaya IN, Yu.Slushkina, VIIkolev, O.Sukharev, SVShmanev, AMKuryanov and others. Vishchenko has worked on the theoretical aspects of investment flow management in selected sectors, including the problems of attracting investment in industrial development.

3. RESULTS

The highest growth rates were in Bukhara region (154.3%), Surkhandarya region (149.0%), Khorezm region (129.4%), Kashkadarya region (128.8%), Tashkent region (120.5%) and Tashkent city (119.5%). However, in the Republic of Karakalpakstan this indicator on the contrary decreased by 43.3% compared to the previous year.

The lowest growth rates are in Fergana (101.9%), Samarkand (104.1%), Andijan (105.8%), Navoi (106.0%), Namangan (108.1%), Jizzakh (110.3%) and Sirdarya (114.1%) provinces. The share of

The analysis of investments in fixed assets of the economy of Uzbekistan in 2017 by types of economic activity allows to predict the level of further development of industries.

Analyzes show that the total volume of investments in fixed assets in the country increased by 20,340.8 billion soums or by 142.3% in 2017 compared to 2016.

In our analysis of investments in fixed assets (100%) by sectors of economic activity in 2017, it is mainly characterized by high share of the following sectors:

- ⊕ The share of the mining industry reached 20.8% and amounted to 7030.4 billion soums compared to the previous year;
- ⊕ The share of the manufacturing industry in 2017 was 17.9% and amounted to 3246.1 billion soums compared to the previous year;
- ⊕ The share of transportation and storage amounted to 9.3% and amounted to 584.0 billion soums in 2017 compared to 2016;
- ⊕ The share of electricity, gas and heat supply amounted to 8% on average and amounted to 27,49.6 billion soums compared to the previous year;
- ⊕ The share of housing construction made up 1674.6 billion soums, which is 16.2% compared to 2016.

It is also worth noting that while the total volume of investments into the economy of the republic is increasing year by year, its share in some scattered sectors decreased in 2017 compared to 2016. For example, the share of the manufacturing industry is 0.8 percentage points, electricity, gas and heating - 0.1 percentage points, wholesale and retail, motor vehicles and motorcycles - 1.4%, transportation and storage - 2.7%. ; share of living and catering sector by 1.1 percentage points; the share of vocational, scientific and

technical activities decreased by 0.2 percentage points, education - by 0.6 percentage points, healthcare and social services - by 0.1 percentage points, and housing construction - by 3.3 percentage points.

Research shows that when the investment in fixed assets of the country is analyzed according to the type of ownership of enterprises and organizations, the total volume of investments in state-owned organizations decreases year by year and, on the contrary, the share of enterprises and organizations operating in non-state ownership increases.

For example, in 1995 the total capital investment in the country was 100%, of which 55.1% fell to share of state-owned enterprises and organizations, 44.9% - to private enterprises and organizations. This was the case in 2000: the share of state-owned enterprises and organizations decreased to 31.6%, while the share of state-owned enterprises and organizations increased to 63.9%. Since 2005, the share of state-owned enterprises in the total volume of investments has decreased to 30.9%, and the share of non-state enterprises and organizations increased by 19.0% to 69.1%, which is 9.1% higher than in 2005. Growth of total investments increased by 5.5 percentage points as compared to 2010 and by 1.5 percentage points in 2017 to 85.2%. real investment share of 14.8 percent.

The share of investments directed to the development of fixed assets of fixed assets in 2007 made up 41.0% or 28054.8 billion soums, having increased by 1.2 percentage points compared to 2015.

Statistics show that in 2017, 61.2% of total investments in fixed assets were attracted to new construction, 22.1% of existing production and reconstruction, 1.0% for production expansion and 15.7% for other areas.

According to the sources of investment in fixed assets in 2017, 55.5% of the funds invested in own funds and 44.5% at the expense of the population grew by 8.4% in comparison with 2016.

When we analyze total investment in fixed assets (68,423.9 billion soums) in 2017, it is as follows: 44.5% or 30,430.8 billion. The sum of funds of enterprises and the population is at the expense of own funds, which shows a decrease of 12.9 percentage points in comparison with 2005, 4.5 percentage points as compared to 2010 and 8.4% compared to 2015. The main reason is that the creation of favorable conditions for the support of investment activity in the country in the coming years will direct international investors and credit institutions, commercial banks to invest in credit portfolios and other borrowings, and the state's target fund (reconstruction and development, children's sports, etc.).), which led to an increased investment in the economy and a change in the structure of investments (Table 4).

The share of foreign investments and loans in the structure of total investments made up 25.1%, and in 2007 the share of investments in fixed assets made up 17146.5 billion soums. In comparison with 2015, its share increased by 3.4 percentage points, down by 2.8 percentage points compared to 2010 and by 5.2 percentage points compared to 2015.

Commercial banks' share of loans and borrowings in fixed assets in 2017 amounted to 13.3% to \$ 9127.0 billion. Made up the sum. The share of bank loans and borrowings is 3.8% in 2005, 9.7% in 2010 and 11.8% in 2015, and the tendency to grow from year to year remains.

In the structure of investments in fixed assets, the share of state trust funds (including funds for reconstruction and development fund and children's sports development funds) in 2017 amounted to 12.0%, totaling 8245.1 billion. Made up the sum. Of this amount, 13.6% or \$ 1121.2 billion were sold. UZS 10.1% or UZS 834.1 billion was allocated for capital repair and equipping of secondary schools, vocational colleges and academic lyceums and medical facilities. UZS at the expense of the Republican Road Fund, 2.9% or 238.3 billion soums. UZS 2.5 million, or \$ 202.3 billion, to the Fund for the Development of Material and Technical Basis of Higher Education Institutions. The Fund for Reclamation of Irrigated Lands, with 1.9% interest rate of \$ 157.1 billion. The sum is allocated by the Children's Sports Development Fund and about 69.0% or 5692.1 billion soums. The sum came from the Fund for Reconstruction and Development.

Investments in fixed assets account for 5.1% or \$ 3474.5 billion. The sum was financed from the republican budget and in comparison with the figures for 2017, it decreased by 7.2% compared to 2005 and by 0.5 percentage points as compared to 2010, and by 0.16% compared to 2015.

Taking into account the data, it is possible to state that measures on attraction of foreign investments and loans to the main capital of the economy are paid attention at the level of state policy.

Level of foreign investments attraction into fixed capital of the Republic in 2017 amounted to 17146.5 bln. Soum (equivalent of US \$ 3348.2 million), or 134.9% compared to the previous year, accounted for 25.1% of total investments in the country's economy.

In 2017, the share of foreign investment in fixed assets in the country's GDP was 6.7%, an increase of 1.4 percentage points compared to 2016.

When analyzing the structure of foreign investments and loans under the guarantee of the Government of the Republic of Uzbekistan, its volume in 2017 amounted to 3348.2 mln. In the structure of direct investments the share of direct investments made up US \$ 2493.3 million. The dollar is made up of private foreign investments. Comparing these indicators, the volume increased by 99.7 million dollars compared to 2015. And US \$ 105.7 million in foreign direct investment. US \$, and its growth reached 104.4%.

One of the important factors of our development is the fact that in the recent years in the country under the radical reforms the participation of foreign investors in the development of our economy has been enhanced and a number of measures aimed at improving the investment attractiveness of the country.

Taking into account the volume of foreign investments and loans in the Republic of Uzbekistan in 2017, the largest share was accounted for by Bukhara region (48.1%). US dollars. Also, Tashkent city (US \$ 475.4 million or 14.2%), Kashkadarya region (US \$ 395.1 million or 11.8%), Namangan region (US \$ 221 million or 6.6%), Navoi region (US \$ 187.5 million or 5.6%).) and Tashkent region (US \$ 140.6 million, or 4.2%), which is characterized by the relatively high foreign investments attraction compared to other regions: Syrdarya (0.4%), Samarkand (0.7%), Khorezm (0.9%), Fergana (1%).), Jizzakh (1.1%), Andijan (1.3%), the Republic of Karakalpakstan (1.7%) and Surkhandarya (2.4%) regions are less attractive for foreign investment. is carried out.

The following major investment projects have been implemented at the expense of foreign investments and credits in fixed assets:

Electrification of railway sections Karshi-Termez and Pop-Kokand-Andijan; Construction of two power units with 450 MB capacity each; construction of complex for production of polyvinyl chloride, caustic soda and methanol; Reconstruction of 58 km of A-373 Tashkent-Osh highway through Kamchik pass; development of digital television network in the country and other similar projects.

In addition, the following major projects are being implemented through foreign direct investments and loans:

Construction of a plant within the Gas Processing Complex and equipping of Phase 1 of the Kandym group; Carrying out of prospecting and hydrocarbon mining in the investment area HISOR in the USTUR region, creation of the second stage Textile complex in Karshi district; expansion of mobile communication systems and creation of national network of operators and others.

In 2017, the share of foreign investments and loans in the economy of Uzbekistan will be represented by the countries, with investors in the Russian Federation leading by 55.6%, followed by China with 15.0% and Japan with 6.6%.

Oil and natural gas extraction - 9016.3 bln. Soum; 467.4 billion - for information and communication systems. Soum; production of non-metallic mineral products - 10.5 bln. Soum; metallurgical industry - 10.4 bn. The sum and other works were done.

Investments made by investors from the People's Republic of China are mainly spent on the following activities:

460.5 billion. Manufacture of chemical products; 458.8 billion. Manufacture of rubber and plastic products; 451.5 billion. Soum - for natural gas extraction; 544 billion Sum - communication system; 149.7 billion The sum is spent on the production of other non-metallic mineral products and the development of many other areas of activity.

The investments directed by Japanese investors are mainly in the following areas:

Development of land and pipeline systems - 445.3 bln. soum; electricity and gas supply, steam and air conditioning systems - 387.9 billion sums; soum; chemical industry - 209.0 billion soums; and UZS 90.0 billion for the development of communication facilities. soums.

The analysis shows that foreign direct investments and loans play a significant part in the main capital of the country's economy. For example, in 2017, there was a total of \$ 2493.3 million. It is worth noting that the share of direct foreign investments and loans in the amount of US \$ 1 billion was disbursed, and its share in the fixed capital reached 18.7% or 3.4 percentage points higher than in the previous year.

If you compare these indicators with those of previous years, you can see the following:

In 2000, the volume of foreign direct investments and loans was 105.2 mln. US \$, and its share in the country's fixed capital increased by 3.4% to US \$ 422.6 million in 2005. US dollars or 14.9 percent; 2454.7 million in 2010. Or 24.6% and \$ 2387.6 million in 2015. US dollars, or 14.7%.

An analysis of foreign investments and loans by types of ownership will also be important.

The total volume of disbursed investments and loans for the development of the country's economy in 2017 will amount to 17146.5 billion US dollars. soums, of which 15203.2 bln. or 88.7% of the share of private property in the amount of 1943.3 bn. or 11.3% of the total number of the state-owned businesses.

In 2017, the country's economy will account for US \$ 4372.4 billion. or 25.5% received government guarantees, 74.5% or \$ 12774.1 billion. The share of direct investments and loans made up 1 billion soums. Including 91.6% of foreign capital utilized by state-owned enterprises, or 1,780.1 bln. while foreign investments and loans, guaranteed by the government, amounted to 8.4% or \$ 163.2 billion. The volume of direct foreign investments and loans will be directed directly to the region. Non-state types of property provided 2599.7 bln. or 17.1% of foreign capital guaranteed by the Government, 82.9% of the assimilated capital or UZS 12603.5 billion. The volume of private investments and loans made up 1 billion soums.

The study of the volume of foreign investments and loans in separate types of activity in the national economy shows that the interest of foreign investors in investing in various sectors of the economy of Uzbekistan also varies.

When analyzing economic performance by 2017, the total volume of foreign investments and loans (17146.5 billion soums) in the main capital of the country's economy accounted for 56.8% or 9735.5 billion US dollars. The share of the mining industry in the total volume of market capitalization is 14.8% or 2533.5 billion soums, or 25.7% more than in 2016. Soums with a share of Soum. It should be noted that this figure decreased by 12.6 percentage points compared to 2016.

According to the table 1 below, currently the highest level of attractiveness of research objects in the economy of the Republic of Uzbekistan is defined by the service sector and its investment attractiveness is 91.8%. As noted above, the investment attractiveness of the industrial sector - the locomotive of the country's economy - was 87.6%, while the economic attractiveness of the agricultural sector exceeded the attractiveness of the industry by 1% and amounted to 88.6%. The attractiveness of the construction industry is 85.8%, which is the smallest investment attractiveness of the industry. This is primarily due to the long-term return on investment, the high level of risk and risk.

Table 1. The investment attractiveness of the economic sectors of the Republic of Uzbekistan

Nº	Indicators	Industry	Agriculture	Construction network	Sphere of services
1.	Competence				
	Dynamics of production in the industry	10,125	7,875	10,125	10,125
	The number of new production projects in the last 3 years	11,25	11,25	11,25	11,25
	Provision of local raw materials	11,25	11,25	10,125	10,125
	Share of the network in imports	9	11,25	11,25%	11,25
2.	Contents				
	Access to infrastructure	7	7	8%	8,0%
	Share of outdated equipment in the network technology park	8	8	8%	8,0%
	Network share in total employment	8	10	7%	10%
	Network share in GDP	10	9	7%	10%
3.	External environment				
	Assessment of Economic Freedom by the World Bank's Doing Business Method	3	3,0	3,0	3,0
	The political situation	5	5 %	5 %	5 %
	Supply in the labor market	5	5 %	5 %	5 %
	Total	87,6	88,6%	85,8%	91,8%

Source: Author's development based on data from the State Statistics Committee of the Republic of Uzbekistan

In summary, McKinsey & Co. Timely transfer of data on matrix values to foreign investors has resulted in an additional 16.3% increase in foreign investment, especially direct investment, which is important for the development of the economy, employment and welfare of the population. I did.

In addition, economic activities in the country include transportation and storage (8.5%), information and communication (8.7%), health and social services (3.0%), electricity and gas supply, heating and air conditioning (2.3%), water supply, Foreign investors have invested in sewerage networks (1.6%), agriculture, forestry and fisheries (1.1%) and other activities (3.2%).

In recent years, special attention is paid to the investment in construction and construction activities. In 2017, Uzbekistan will receive 34698.0 billion Construction works were carried out with the result of 106,0% growth.

78.9% of total work was spent on new construction, reconstruction and development of material and technical base of contracting companies, and 21.1% for capital repair of existing building and other contracting works.

In order to radically improve the living conditions of the population, large-scale work on construction and commissioning of new residential buildings is underway at the expense of investments into the economy. When analyzing the data for the year 2017, 68.4% of total housing (11456.4 thousand sq. M.) Or 7833.2 thousand sq. M. Meter is the share of rural areas.

In 2017, the largest share of construction and commissioning of new housing in the country is in Kashkadarya (10.3%), Namangan (9.4%), Tashkent (9.0%), Surkhandarya (8.8%) and Samarkand (8.6%). The Syrdarya (1.5%), Jizzakh (4.8%), and Navoi (5.6%) provinces account for the relatively small share of the population. It should be noted that the share of other regions is about 7%.

4. DISCUSSION & CONCLUSION

The capital investments in the economy have been used for capital repair, reconstruction, construction of additional buildings, public utilities and other social objects (kindergartens, secondary schools, health care facilities, etc.).

The results of the research show that active investment policy plays a crucial role in the development of the national economy.

In particular, in the address of the President of the Republic of Uzbekistan Shavkat Mirmonovich Mirziyoyev to the Parliament, logical continuation of the high efficiency of the radical reforms in the year of "Active Investments and Social Development" will provide 138 trln. The goal is to attract soum investments. In this regard, FDI increased 1.5 times compared to 2018 and reached US \$ 4.2 billion. In 2019, 142 new modern enterprises will be commissioned. As a result, thousands of new jobs will be created at the local level and new competitive products will be established.

Most importantly, active investment policy in the country is a necessary measure as a rational solution to the pressing problem of employment in the country through the provision of socially profitable and profitable employment to the population.

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